



State Capitol | Lansing, Michigan 48913
PH (517) 373.1707 | FAX (517) 373.3935
www.senate.michigan.gov/gop/senator/toy/

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Contact: Heather Lombardini
(517) 373-1707

Sen. Laura M. Toy's legislation to aid local governments sent to governor

LANSING – The Michigan Senate today approved legislation which would aid cash-strapped local units of government by providing them greater flexibility in how their financial resources are managed, said state Sen. Laura M. Toy, 6th Senate District.

Senate Bill 868, sponsored by Sen. Toy, will now go to the governor's desk for approval.

"My bill will enable local units of government to fund essential public services with surplus revenues that already exist without raising taxes," Sen. Toy said. "Currently, these communities' hands are tied by state law."

Under state law, county treasurers are required to deposit certain revenues they receive into restricted funds which can only be used for specified purposes. Many counties have developed large surpluses in these restricted funds.

Sen. Toy's legislation allows county governments to transfer a portion of these surpluses to their general funds to pay for other services.

"This is a common sense measure to help local governments," Sen. Toy said. "I was proud to sponsor this important legislation."

Sen. Toy has had 21 bills signed into law by the governor since entering the Senate in 2003.

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